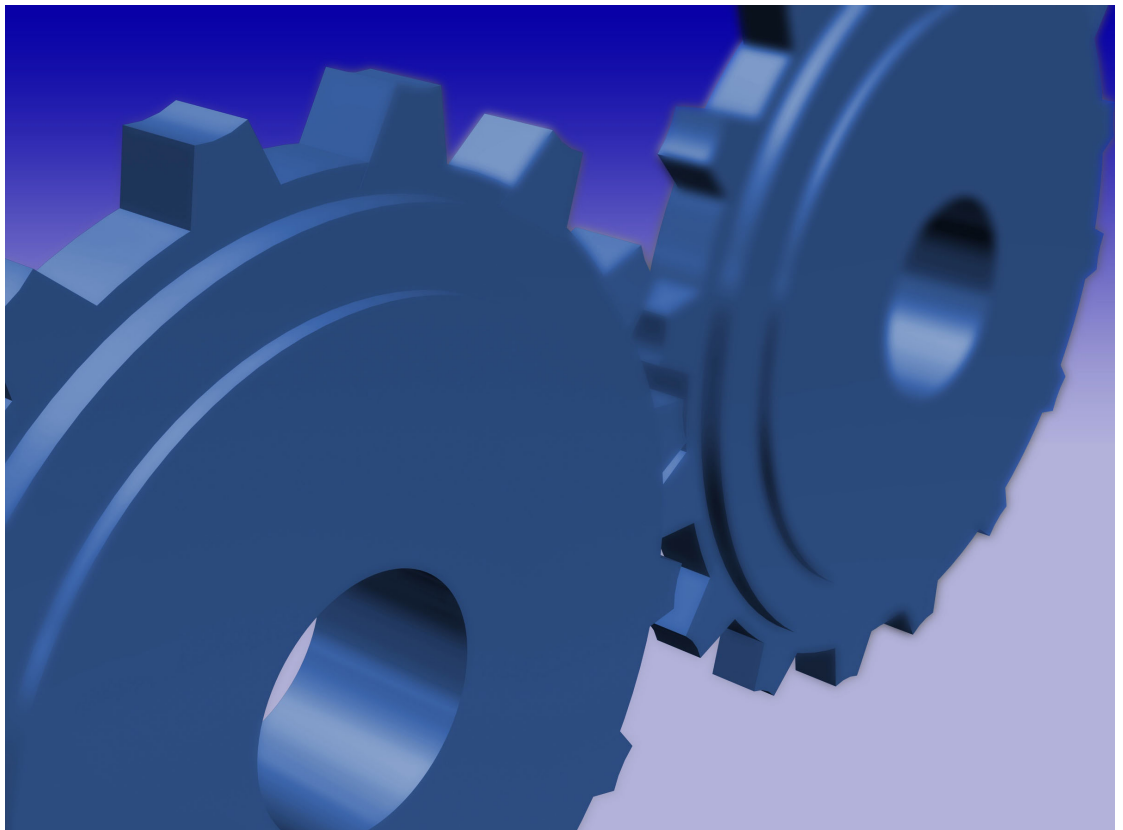


Participant Materials

The 2003 Linkage Excellence in Management & Leadership Series

Execution

Featuring Larry Bossidy



Dear Participant:

Welcome to Linkage's 2003 Excellence in Management and Leadership Series. Today's program, Execution, features Larry Bossidy, former Chairman of the Board and CEO of Honeywell International and CEO of the Year in 1994 and 1998.

Specifically, the program will focus on:

- The key leadership behaviors required to create an execution-oriented organization or team.
- The principles and building blocks of successful execution.
- The three core processes of execution.

Some of the key factors of successful execution that Larry Bossidy will share with you, based on his own experience are:

- Execution is a discipline, and integral to strategy.
- Execution is the major job of the business leader.
- Execution must be a core element of an organization's culture.

These participant materials have been designed to complement your conversation with Larry Bossidy. Use them to record your notes, ideas, questions, and insights. At the end of the program, you will be asked to submit questions directly to Mr. Bossidy via fax, telephone and/or email.

Learning is an activity that requires more than passively watching a speaker. Simply watching today's program will neither instill leadership knowledge or skills, nor result in an immediate change in your organization's culture and strategic positioning.

Learning requires the active engagement of your mind and spirit - the motivation and drive to reflect, apply, practice, and experiment.

About Linkage

Linkage, Inc. is a leading provider of leadership and management development training programs, services, and products. More than 100,000 executives and management professionals have attended a Linkage institute, conference, workshop, or corporate education program. Linkage also provides assessment, consulting, and research services to Fortune 500 companies and other leading organizations. Founded in 1988, Linkage is headquartered in Burlington, Massachusetts, with regional offices located in Atlanta, Brussels, London, Minneapolis, and San Francisco. In both 1997 and 1998, Linkage was honored as one of the “Inc. 500 Fastest Growing Private Companies in the United States.”

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SECTION 1

Satellite Program Materials

Introduction and Basic Premises

Larry Bossidy believes that execution is the biggest issue facing business today. In order to be competitive, organizations and their leaders must master the discipline of execution. This discipline involves a specific set of behaviors and techniques that are easily espoused, yet rarely followed.

When organizations are execution-oriented they are much more able to reduce the gap between what their leaders promise and the results that their organization actually delivers. These organizations are also better equipped for change and transition because the leaders have a better understanding of the reality of the organization.

Creating an execution-oriented organization is not simple. Yet it is doable. As Larry Bossidy states:

“Putting an execution environment in place is hard, but losing it is easy.”

Question-and-Answer Session

- If you are participating only in the live presentation of this program, complete the fax form, send an e-mail or call in your questions to Larry Bossidy using the question sheet on page 27.
- If you are participating in a post-broadcast program, share your questions with your seminar coordinator and your colleagues during that time.

When the Session Has Concluded

- Your feedback is valuable in ensuring the integrity of future programs. We take pride in providing relevant, thought-provoking and enlightening programs – and we rely on you to help make this happen. Complete your participant evaluation form at: http://www.linkageinc.com/training/satellites/satellite_evals.shtml
- To further reinforce your understanding of today's information, as well as hone other aspects of your leadership skills, complete the recommended Post-Broadcast Activities that begin on page 20.

Pre-Broadcast Activities

Become familiar with Larry Bossidy's extraordinary accomplishments by reading his biographical outline on the following page.

Biography: Larry Bossidy

Lawrence A. Bossidy is the retired Chairman of the Board and CEO of Honeywell International Inc., a global \$24-billion advanced technology, controls and manufacturing company.

Bossidy's distinguished 45-year career in business began with the General Electric Company, which he joined in 1957 as a trainee in the company's renowned financial training program. For the next 31 years, Bossidy served in a number of executive and finance positions with GE. He was Chief Operating Officer of General Electric Credit Corporation (now GE Capital Corporation) from 1979 to 1981, Executive Vice President and President of GE's Services and Materials Sector from 1981 to 1984, and Vice Chairman and Executive Officer of General Electric Company from 1984 to July 1991.

Bossidy moved from GE in 1991 to join AlliedSignal Inc. as its Chairman and CEO. He is credited with transforming AlliedSignal into one of the world's most admired companies. The company's success was driven by Mr. Bossidy's intense focus on relentlessly executing growth, management development and Six Sigma-based productivity initiatives. During his tenure with AlliedSignal, the company achieved consistent growth in earnings and cash flow, highlighted by 31 consecutive quarters of earnings-per-share growth of 13% or more and an eight-fold appreciation of the company's share price. A number of senior executives who served under him are now CEOs of major companies.

In 1999, Bossidy became Chairman of Honeywell International Inc., following the historic merger of AlliedSignal and Honeywell in December, 1999. He retired from the company as scheduled in April 2000.

Honeywell's Board of Directors brought back Bossidy on July 3, 2001, as Chairman and CEO of Honeywell International Inc., to stabilize the company following General Electric's prolonged and unsuccessful attempt to acquire Honeywell. Bossidy's second term focused on reinvigorating Honeywell's core management processes and improving its operations and cost structures.

Bossidy is co-author of the *New York Times* and *Wall Street Journal* best-selling book *Execution: The Discipline of Getting Things Done*, a primer on effective hands-on leadership in today's competitive business environment.

In 1993, Mr. Bossidy led the efforts of the US business community to successfully secure congressional approval of the North American Free Trade Agreement. He was named CEO of the Year by Financial World magazine in 1994 and Chief Executive of the Year by CEO Magazine in 1998.

Pre-Broadcast Activity/Discussion

1. Describe a time in your career when you experienced successful business execution.

2. What enabled this success?

3. What did this leader **do** that made you or others on your team feel successful?

4. What are some of the **roadblocks or barriers** in your organization to building a culture of strong execution?

5. What, if any, are the **risks** to your organization's future if effective execution does not become part of the culture?

6. What **actions** can you take to build a **business case** for creating a culture of effective execution?

During The Program

- Participate!
- Submit questions to be addressed by Larry Bossidy during the question-and-answer session. Mr. Bossidy will respond to questions in the latter third of the program. To submit questions, complete the fax form found on page 27, submit an e-mail, or call in when prompted during the program.
- Use the following Participant Materials as an additional resource to Mr. Bossidy's presentation. Make notes on the presentation in the space provided.

Participant Materials

Principles of Execution: Notes

1. Execution is a discipline and integral to strategy.

“People think of execution as the tactical side of business. That’s the first big mistake. Tactics are central to execution, but execution is not tactics.” (21)

“In its most fundamental sense, execution is a systematic way of exposing reality and acting on it. Most companies don’t face reality very well.” (22)

“Execution is a systematic process of rigorously discussing hows and whats, questioning, tenaciously following through, and ensuring accountability.” (22)

“Only the leader can set the tone of the dialogue in the organization. Dialogue is the core of culture and the basic unit of work. How people talk to each other absolutely determines how well the organization will function.” (25)

“The leader must be in charge of getting things done by running three core processes – picking other leaders, setting strategic direction, and conducting operations. These actions are the substance of execution, and leaders cannot delegate them regardless of the size of the organization.” (24)

2. Execution is the major job of the business leader.

[illegible]

3. Execution has to be a core element of an organization's culture.

"Cultural change gets real when your aim is execution. You don't need a lot of complex theory or employee surveys to use this framework. You need to change people's behavior so that they produce results. First you tell people clearly what results you're looking for. Then you discuss how to get those results, as a key element of the coaching process. Then you reward people for producing the results. If they come up short, you provide additional coaching, withdraw rewards, give them other jobs, or let them go. When you do these things, you create a culture of getting things done." (86)

"Just as the leader has to be personally involved in execution, so must everyone else in the organization understand and practice the discipline. Execution has to be embedded in the rewards systems and in the norms of behavior that everyone practices." (30)

The Building Blocks of Execution: Notes

Building Block 1: The Leader's Seven Essential Behaviors

- Know your people and your business.
- Insist on realism.
- Set clear goals and priorities.
- Follow through.
- Reward the doers.
- Expand people's capabilities.
- Know yourself.

[illegible]

“The behavior of a business’s leaders is, ultimately, the behavior of the organization, as such, it’s the foundation of the culture.” (84)

Building Block 2: Creating the Framework for Cultural Change

"Acting your way into a new way of thinking begins with demystifying the word culture. Stripped of its essentials, an organization's culture is the sum of its shared values, beliefs, and norms of behavior." (89)

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[illegible]

Building Block 3: The Job no Leader Should Delegate – Having the Right People in the Right Place.

“An organization’s human beings are its most reliable resource for generating excellent results year after year. Their judgments, experiences, and capabilities make the difference between success and failure.” (109)

WHY THE RIGHT PEOPLE AREN'T IN THE RIGHT JOBS:

- *Lack of knowledge*
- *Lack of courage*
- *The psychological comfort factor*
- *Lack of personal commitment*

[illegible]

WHAT DO EXECUTION –FOCUSED LEADERS DO?

- *They energize people.*
- *They're decisive on tough issues.*
- *They get things done through others.*
- *They follow through.*
- *They tell the unvarnished truth.*

- ## **WHAT DO EXECUTION –FOCUSED LEADERS DO?**
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The Three Core Processes of Execution: Notes

1. The People Process: Making the Link with Strategy and Operations

The Keys to a Successful People Process:

- Link people to the strategy and operations.
- Develop the leadership pipeline through continuous improvement, succession depth, and reducing retention risk.
- Deal with nonperformers.
- Link HR to business results.
- Have candid dialogue.

“The people process is more important than either the strategy or operations processes. To put it simply and starkly: If you don’t get the people process right, you will never fulfill the potential of your business.” (141)

- Build the strategic plan. (Built by the people who will execute it.)
- Ask and answer the tough questions about the business environment, critical issues at hand, critical milestones, etc.
- Assess the external environment.
- Be honest about how well you understand the existing customers and markets.
- Identify the best way to grow the business profitably...know the obstacles as well as the opportunities.
- Know your competition.
- Be honest about whether or not the business can execute the strategy.
- Set milestones for executing the plan.
- Be clear about how the business will make money on a sustainable basis.

[illegible]

[illegible][illegible]

- [illegible]

“The heart of the working of a business is how the three processes of people, strategy, and operations link together. Leaders need to master the individual processes and the way they work together as a whole. They are the foundation for the discipline of execution, at the center of conceiving and executing a strategy. They are the differentiation between you and your competitors.” (264)

Post-Broadcast Activities

Complete and submit the participant evaluation form found at:

http://www.linkageinc.com/training/satellites/satellite_evals.shtml or at the end of your participant materials.

Activity 1: Self-Reflection and Discussion

- Return to your pre-broadcast questions and answers on page 27. What additional **factors** would you add to your list after listening to Larry Bossidy describe what it takes to create a culture of execution?

- What other ideas, concepts, or themes from the broadcast resonated with you?

Activity 2: Building Emotional Fortitude

Larry Bossidy believes that a successful leader needs to have “emotional fortitude.” This consists of four elements:

- Authenticity
- Self-Awareness
- Self-Mastery
- Humility
 - Think of a time when you exhibited one (or more) of these qualities. Describe the situation to a partner.

 - Now think back on a time when you wish you had exhibited more of one of the above qualities. Describe the situation to the same partner and reflect on what would have enabled you to have been more effective.

Activity 3: Identifying Strengths and Development Opportunities

- Most of us are familiar with what our strengths and weaknesses are. Identify below your top three strengths and weaknesses (development opportunities) as a leader.

Strengths:

- 1.
- 2.
- 3.

Development Opportunities:

- 1.
- 2.
- 3.

- Identify ways to leverage your strengths. How can you share these strengths with others who could benefit from learning from you?

Activity 4: Fast Feedback Activity

- Choose one development opportunity that relates to Larry Bossidy's presentation that you would like to receive advice about from your colleagues.
- Stand up and ask ***as many people as you can*** the same question: "I would like to get better at _____. What advice do you have for me?" Do not give excuses or explanations when you hear their advice. Simply listen, take notes, and say, "Thank you." Take turns giving them advice as well.

Activity 5: Creating an Agenda for Change

An Agenda for Change is an outline of a business issue that lays out a plan for improvement. The goals of the tool are as follows:

- Frames a business improvement plan in the context of current performance and desired results.
- Helps you present a business case to senior and line management, and communicate the change vision with everyone connected with an issue.
- Documents consensus within a team or the organization about proposed solutions to problems or opportunities for improvement.

Step 1 Describe the Current State

- Describe the current state of the organization. What business reasons and forces are driving the need for the change? In planning for successful change, how will you define:
 - The change issue or the opportunity waiting to be addressed?
 - The forces driving the change?

Step 2 Describe the Future State

- Describe your organization's desired future state—what you'd like your organization to "look like" once the problem, issue, or opportunity is addressed. In planning for successful change, how will you define:
 - Your vision of the new state?
 - Your leadership agenda that will lead you towards the vision?

Step 3 Communicate the Vision

- Many individuals resist change simply because they don't understand the need for the change itself. Consider the action steps in the middle of the blueprint that indicate the means to move from the current to the future state. In planning for successful change, how will you identify:
 - What steps will be necessary to achieve your vision?
 - What barriers may prevent successful implementation of your change initiative?
 - Whom you need to communicate your change vision to?
 - The actions you are asking individuals/groups to take?

Something to Consider

Over time, you may develop master blueprints that represent your general way of thinking about common issues and problems. While the major features may remain stable, the specific activities of a master blueprint will tend to evolve as you interact with various internal players, leading you to develop a richer, data-based sense of how to create forward movement.

Worksheet

Current State:

Key Stakeholders:

Action Plan

□> □> □> □> □>

Future State:

Criteria for success/measures

Bottom-line, what we are doing is: _____

SECTION 2

Forms

SECTION 2

Forms

Question Sheet

Use this form to write your question for Dr. Senge or Dr. Karter or for discussion among your colleagues. Please write legibly.

Name (optional):

Organization:

Location:

Your question (25 words or fewer):

Fax 1-877-892-0170 (from within U.S.)
Fax 646-349-3661 (from outside U.S.)

Email: **leadership2003@linkage-inc.com**

Tel 1-800-489-8814 (from within U.S.)
Tel 801-303-7412 (from outside U.S.)

LINKAGE MANAGEMENT & LEADERSHIP EVALUATION FORM

PLEASE RETURN THIS FORM TO YOUR SITE COORDINATOR OR FAX TO 781-993-1402.

NAME _____ TITLE _____

ORGANIZATION _____

Please indicate functional area (only circle one):

Finance Human Resources/Organizational Development Manufacturing/Operations Marketing R&D Sales

Other (specify) _____

How many people do you have reporting to you (include all levels)? Number: _____

Please indicate your job level (only circle one):

☐ President or Officer ☐ Vice President ☐ Director ☐ Manager/Supervisor ☐ Individual Contributor

1) Please indicate a rating for each of the statements below by checking the appropriate box.

	Strongly Disagree	Somewhat Disagree	Somewhat Agree	Strongly Agree
The length of the presentation was ideal	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
As a result of participating in this program, I will be more effective in my role	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
The participant materials were useful	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
The Q&A session was valuable	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

2) Please give a general overall comment about the program.

3) Any suggestions on what we can do to improve?

4) Can we use any of these comments for promotional purposes (including name and organization)? YES NO

5) On a scale of 1-10 (10 = Outstanding), how would you rate this session?

Rating: _____

6) Which speakers are you most interested in seeing at the next Linkage Satellite (Distance Learning) Learning Series? (Please rate your top five, "1" being most interested)

___ James Champy	___ Michael Dell	___ Warren Bennis
___ Deborah Tannen	___ Maya Angelou	___ Margaret Wheatley
___ Steve Jobs	___ Stephen Covey	___ Michael Porter
___ Tom Peters	___ Francis Hesselbein	___ Michael Hammer
___ Phillip Knight	___ John Scully	___ Gary Hamel
___ Noel Tichy	___ Louis Gerstner	___ Other _____

PLEASE RETURN THIS FORM TO YOUR SITE COORDINATOR OR FAX TO 781-372-1678.